

Trump's Payroll Tax Deferral Aims to Weaken and Kill Social Security and Medicare

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Global Research, August 10, 2020

Region: [USA](#)

Theme: [Global Economy](#), [Intelligence](#)

All politicians lie. Rare exceptions prove the rule.

Trump is Exhibit A, a serial liar never to be trusted, a menace to virtually everything just societies hold dear.

Last February 8 he tweeted: "We will not be touching your Social Security and Medicare in Fiscal 2021 Budget."

On February 9, the Wall Street Journal headlined:

"Trump to Propose \$4.8 Trillion Budget With Big Safety-Net Cuts," saying:

His proposed budget, if reelected in November, includes "steep reductions in social-safety-net programs," more for militarism and warmaking.

The Journal added that as long as Dems control one or both houses of Congress, his proposed budget is dead on arrival.

He and other hardliners in Washington aim to destroy social justice, notably by weakening and killing Social Security and Medicare by defunding them.

They aim to return America to 19th century harshness, neoliberalism on steroids.

Their scheme includes cutting, then ending welfare for impoverished households, restricting then eliminating food stamps and housing assistance.

It also aims to destroy collective bargaining rights, turning workplaces into sweatshops, paying workers poverty wages, abolishing benefits, allowing child labor, agricultural and other slave labor more than already, along with other dystopian aims.

The centerpiece of their scheme is killing Social Security and Medicare.

According to the Center on Budget and Policy Priorities (CBPP), about \$1 trillion of the 2019 federal budget went for Social Security.

Another \$1.1 trillion funded Medicare, Medicaid, the Children's Health Insurance Program (CHIP), and Affordable Care Act (ACA) marketplace subsidies — nearly two-thirds of this amount for Medicare.

If the above programs and other safety net ones are eliminated in the years ahead, well over \$2 trillion more will be available annually for the Pentagon, DHS, the CIA, NSA, other

national intelligence, corporate handouts, and more tax cuts for the rich.

In 2017, then-House Speaker Paul Ryan declared war on Social Security and Medicare, saying “that’s really where the problem lies, fiscally speaking.”

They’re “the big drivers of our debt,” falsely calling employer/worker-funded insurance programs “entitlements” which they’re not.

They’re insurance programs financed by payroll tax deductions.

Private citizen Trump earlier said “I’m not going to cut Social Security like every other Republican, and I’m not going to cut Medicare or Medicaid.”

In October 2018, he vowed to keep Medicare “healthy and well.”

Last February at the Davos World Economic Forum billionaire’s ball, he said “at some point,” cuts in Social Security and Medicare will be on the table.

Weeks ahead of Davos, he vowed to “save” Social Security. His proposed budget included cuts to vital social safety net programs — including SS, Medicare and Medicaid.

On Saturday after unconstitutionally breaching congressional appropriations authority, he vowed to “terminate” Social Security if reelected in November.

In response, Social Security Works president Nancy Altman said the following:

Trump “once promised that he would be ‘the only Republican that doesn’t want to cut Social Security.’ ”

“We now know that what he meant is that cutting Social Security doesn’t go far enough for him.”

“He wants to destroy” the vital social safety net program, Medicare, Medicaid, and other social programs along with it.

His unlawful (Saturday) executive order to (defer) Social Security contributions, is bad enough.”

If reelected in November, he vowed “to terminate FICA contributions” that amounts to “a full-on declaration of war against current and future Social Security beneficiaries.”

“Social Security is the foundation of everyone’s retirement security.”

“At a time when pensions are vanishing and 401ks have proven inadequate, Trump’s plan to eliminate Social Security’s revenue stream would destroy the one source of retirement income that people can count on.”

The program “is often the only disability insurance and life insurance that working families have.”

“If reelected, Trump plans to destroy those benefits as well.”

Altman stressed the importance of mass denunciation of “Trump’s unconstitutional (aim to) raid (and destroy) Social Security.”

The same goes for his aim to kill Medicare and other vital social safety net programs.

Everyone “who cares about (these vital programs) must do everything they can to ensure that Trump does not get a second term.”

CBPP’s president Robert Greenstein called Trump’s Saturday actions “woefully inadequate and legally dangerous,” adding:

“(B)y bypassing Congress on major budget and tax decisions and trying to override federal laws on the use of federal funds,” along with “shredding longstanding norms of governance, (he) potentially violate(d) the Constitution.”

“That we have reached this point is a national tragedy. The executive actions raise serious legal issues” — though it’s unclear how Supreme Court justices would rule on his actions if they have final say.

“Nor is it clear (whether his regime) actually can implement” what he ordered.

Congress has exclusive appropriations authority.

Cash-strapped states may be unable to pay 25% of \$400 weekly unemployment benefits.

Even if able to do it by diverting funds from other priorities, Federal Emergency Management Agency (FEMA) funds “would run out after about six weeks.”

With its power of the purse, Congress alone can address this issue. Trump’s usurpation of congressional authority made a bad situation worse.

His actions provided no funding to cash-strapped states or the postal service in need of financial help.

His deferral of student loan payments through yearend only applies to federally funded ones.

His so-called extension of the federal evictions moratorium and rental assistance did “neither,” CBPP’s Greenstein explained.

He “merely direct(ed) the Housing and Urban Development (HUD) Secretary to take legally permissible steps to help people avoid eviction or foreclosure.”

“(T)he order notably doesn’t include extending the evictions moratorium in its list of actions for HUD to consider.”

It only “asks the HUD and Treasury secretaries to try to identify any federal funds that (his regime) could use to provide financial assistance to renters and homeowners.”

In other words, no federal funds were identified for this purpose.

Further, deferral of payroll taxes won't contribute to economic recovery.

Employers and workers still owe and must pay taxes on the suspended amounts at a later date.

Trump's actions are unrelated to jobs creation. Hiring by firms depends on the demand for their products and services.

Given today's harder than ever hard times, it's essential for Congress and the White House to work together on helping ordinary Americans in need, along with actions to stimulate economic growth.

Trump's actions made an untenable situation worse.

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